

**25<sup>th</sup>**  
**ANNUAL REPORT**  
**2010 - 2011**

**USHAKIRAN FINANCE LIMITED**

## **BOARD OF DIRECTORS**

Mr. T. Adinarayana      --      Chairman  
Mr. Y.B.K. Murthy      --      Director  
Mr. P.R.K. Murthy      --      Director

## **AUDITORS**

M/s. Janardhanrao Deshmukh & Co.,  
Chartered Accountants,  
Flat No.304, Lumbini Apartments,  
Dharam Karan Road, Ameerpet,  
Hyderabad - 500 016.

## **BANKERS**

The Lakshmi Vilas Bank Limited  
ING Vysya Bank Limited  
Andhra Bank

## **REGISTERED OFFICE**

405, Raghava Ratna Towers,  
Chirag Ali Lane,  
Hyderabad - 500 001.

## **REGISTRARS & SHARE TRANSFER AGENTS**

Venture Capital and Corporate Investments Private Limited  
12-10-167, Bharat Nagar,  
Hyderabad - 500 018.

## NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of **USHAKIRAN FINANCE LIMITED** will be held on Monday, the 26<sup>th</sup> day of September, 2011 at 10.00 A.M., at H.No:8-3-976/23A, Shalivahana Nagar Colony, Shalivahana Nagar Community Hall, Yellareddyguda, (Adjacent to Srinagar Colony), Hyderabad - 500073 to transact the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2011 and Profit and Loss account for the year ended as on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Sri T. Adinarayana, who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and if thought fit pass, with or without modification(s) the following resolution as an ordinary resolution:

“RESOLVED THAT M/s. Janardhanrao Deshmukh & Co., Chartered Accountants (Firm Regn. No.005979S), be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of 25<sup>th</sup> Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be agreed upon between the Board of Directors and the Auditors.”

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
USHAKIRAN FINANCE LIMITED

Place: Hyderabad  
Date : 10.08.2011

(T. ADINARAYANA)  
Chairman

### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and to vote instead of himself/herself and the proxy need not be a member of the company. The proxy in order to be effective must be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **21<sup>st</sup> September, 2011 to 26<sup>th</sup> September, 2011** (both days inclusive).
3. Shareholders desiring any information regarding the Accounts are requested to write to the company atleast 7 days before the date of the Meeting so as to enable the Management to keep the information ready.

4. The members attending the meeting are requested to bring the enclosed attendance slip and deliver the same at the entrance of the meeting hall. Admission at the Annual General Meeting venue will be allowed only on producing the attendance slip duly signed.
5. Duplicate attendance slip shall not be issued at the Annual General Meeting venue, however the same shall be issued at the Registered Office of the company up to two days preceding the day of the Annual General Meeting.
6. Members are requested to bring their respective copies of the Annual Report for reference during the Annual General Meeting.
7. Members are requested to note that all correspondence relating to share transfers should be addressed to its Registrars and Share Transfer Agents, M/s. Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad - 500 018.
8. The Company's Shares have been listed at The Stock Exchange, Mumbai and the listing fee has been paid up to 2011-2012.
9. The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the Directors seeking appointment / re-appointment in this Annual General Meeting is annexed herewith.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. We fully support the Ministry's green initiative. Accordingly, the members, who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members, who hold shares in physical form, are requested to inform their e-mail addresses.

**Memorandum of Interest:**

None of the Directors is interested in the resolution regarding reappointment of Sri. T. Adinarayana, Director of the Company except, Sri. T. Adinarayana himself and Sri. Y.B.K. Murthy as he is related to him.

For and on behalf of the Board

Place: Hyderabad  
Date : 10.08.2011

(T. ADINARAYANA)  
Chairman

## **DIRECTORS' REPORT**

To  
The Members,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report of the Company with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2011.

### **FINANCIAL RESULTS:**

The following are the Financial Results of the Company for the year ended 31<sup>st</sup> March, 2011:

	<b>Year ended 31<sup>st</sup> March, 2011</b>	(Rs. in Lakhs) Year ended 31 <sup>st</sup> March, 2010
Sales/Income from Operations	<b>24.25</b>	26.55
Profit/(Loss) before Depreciation & Taxation	<b>13.51</b>	11.38
Depreciation	<b>0.18</b>	0.25
Profit/(Loss) before Taxation	<b>13.33</b>	11.13
Provision for sub-standard assets and diminution in value of investments	<b>3.41</b>	8.50
Provision for Taxation:		
a) Current Tax	<b>3.05</b>	3.90
b) Deferred Tax	--	--
c) Prior Period Tax	<b>0.06</b>	--
Transfer to Statutory Reserve	<b>1.36</b>	--
Net Profit/(Loss) after Taxation	<b>5.45</b>	(1.27)
Balance of Loss brought forward from Previous year	<b>115.39</b>	114.12
Balance carried to Balance Sheet	<b>109.94</b>	115.39

**OPERATIONS:**

During the year under review, the financial services sector especially small sized NBFC's were passing through an extremely difficult period. Your Company also had to bear the brunt of its impact. Further adverse capital market situation has also adversely effected the operations of the company.

**DIRECTORS:**

Sri. T. Adinarayana, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

**AUDITORS:**

M/s. Janardhanrao Deshmukh & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offers themselves for reappointment.

**PUBLIC DEPOSITS:**

Your Company has not accepted any public deposits from the public during the year.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed:

- i) that in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2011 the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;
- ii) that the Directors have selected such Accounting Policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review:
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2011 on a 'going concern' basis.

**PERSONNEL:**

None of the employees were paid remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, hence no details are being provided.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO, INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:**

Since yours is a Finance Company, provisions regarding conservation of energy and technology absorption are not applicable.

There were no Foreign Exchange earnings and outgo during the year.

**COMPLIANCE CERTIFICATE:**

The Company has obtained compliance certificate for the financial year 2010-2011, pursuant to the provisions of Section 383 A of the Companies Act, 1956 from M/s. P.S. Rao & Associates, Company Secretaries. A copy of the same is attached to this Report.

**ACKNOWLEDGEMENTS:**

Your Directors record their sincere appreciation for the continued support from the Shareholders, Bankers of the Company and Government authorities. Your Directors are also pleased to record their appreciation for the valuable services of all the employees.

**For and on behalf of the Board of Directors**

Place : Hyderabad  
Date : 30.05.2011

**(T. ADINARAYANA)**  
**Chairman**

**P.S. Rao & Associates**  
**Company Secretaries**

**Flat No.10, 4<sup>th</sup> Floor,**  
**# 6-3-347/22/2, Ishwarya Nilayam,**  
**Opp: Sai Baba Temple,**  
**Dwarakapuri Colony, Panjagutta,**  
**Hyderabad – 500 082.**

**FORM**  
**(See Rule 3)**

**COMPLIANCE CERTIFICATE**

Reg. No. of the Company : **01- 6294**  
Authorised Capital : **Rs.4,00,00,000/-**  
Paid-up Capital : **Rs.2,74,70,750/-**

To  
The Members  
**USHAKIRAN FINANCE LIMITED,**  
405, Raghava, Ratna Towers,  
Chirag Ali Lane, Hyderabad - 500 001.

We have examined the registers, records, books and papers of **USHAKIRAN FINANCE LIMITED** as required to be maintained under the Companies Act, 1956, and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 31<sup>st</sup> March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure **A** to this certificate, for the financial year 2010-11, as per the provisions and the rules made thereunder and all entries therein have been recorded for the said period.
2. The Company has filed the forms and returns as stated in Annexure **B** to this certificate, with the Registrar of Companies, A.P.
3. The Company being a Public Limited Company has the minimum prescribed paid up capital.
4. The Board of Directors met six times on 30.04.2010, 31.05.2010, 31.07.2010, 27.09.2010, 30.10.2010, 05.02.2011 and 31.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 21<sup>st</sup> September 2010 to 27<sup>th</sup> September, 2010 during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31<sup>st</sup> March, 2010 was held on 27.09.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year under scrutiny.
8. The Company has not advanced any loans to its Directors and/or the persons or firms or companies referred to under Section 295 of the Act during year under review.



9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the financial year under scrutiny.
10. The Company has made necessary entries in the registers maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, during the financial year under scrutiny, the company has not obtained any approval from the Board of Directors, members and previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year 2010-11.
13.
  - i) The Company has delivered all the certificates on transfer of Securities in accordance with the provisions of the Act, during the financial year.
  - ii) The Company has not deposited any amount in a separate Bank account as no dividend was declared during the financial year.
  - iii) The Company has not posted warrants to any member of the Company as no dividend was declared during the financial year.
  - iv) There were no amounts lying with the Company in unpaid dividend account or any application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years or more.
  - v) The Company has complied with requirements of Section 217 of the Act.
14. The Board of Directors is constituted during the year:

Sri YBK Murthy, Director of the company, retiring by rotation was re-appointed as Director at the AGM held on 27.09.2010.

There were no other instances of appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year 2010-11.
15. The Company has not appointed any Whole-time Director / Managing Director / Manager during the financial year 2010-11.
16. The Company has not appointed any sole-selling agents during the financial year 2010-11.
17. There were no instances wherein the Company has obtained any approval from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities, under the provisions of the Act during the financial year under scrutiny.
18. The Directors disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder during the year under review.
19. The Company has not issued / allotted any shares during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.

21. There was no redemption of preference shares / Debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. As per the information and explanation given by the Company and as per the Balance sheet as on 31.03.2011, the Company has not invited any deposits falling within the purview of Section 58A during the year under review.
24. The Company has not borrowed any amount from its Directors, members, public, financial institutions, banks and others during the financial year, falling within the purview of section 293(1)(d) of the Act except existing overdraft facility from bank, which is within its borrowing limits.
25. The Company has made investments in other bodies corporate. However since the principal business of the Company is acquisition of shares, stock, debentures or other securities, the provisions of section 372A of the Act are not applicable.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under review.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under review.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during year under review.
29. The Company has not altered the provisions of the memorandum with respect to share capital during the year under scrutiny.
30. The Company has not altered the provisions of its Articles of Association during the year under review.
31. As per the information given by the Directors, there were no prosecutions initiated against or show cause notices received by the company during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Companies Act, 1956 are not applicable to the Company.

For P.S. Rao & Associates  
Company Secretaries

(P.S. RAO)  
Company Secretary  
C.P. No.:3829

Place: Hyderabad  
Date : 30.05.2011

## **ANNEXURE A**

### **STATUTORY REGISTERS AS MAINTAINED BY THE COMPANY DURING THE YEAR.**

1. Register of Directors U/s 303
2. Register of Directors Shareholdings U/s 307
3. Register of Members U/s 150
4. Minutes of Board Meetings U/s 193
5. Minutes of Annual and Extra-Ordinary General Meetings U/s 193
6. Register of contracts, firms and Companies in which Directors are interested U/s 301(3)
7. Register of Charges U/s 143
8. Register of Contracts U/s 301(1)
9. Register of Investments U/s 372A

## **ANNEXURE B**

### **FORMS AND RETURNS FILED DURING THE YEAR.**

1. Balance Sheet as at 31<sup>st</sup> March, 2010 U/s 220 of the Act filed on 23.10.2010 with Normal Fee
2. Annual Return as on 27.09.2010 filed U/s 159 of the Act on 26.11.2010 with Normal Fee
3. Compliance Certificate filed U/s 383A of the Act on 23.10.2010 with Normal Fee

For P.S. Rao & Associates  
Company Secretaries

(P.S. RAO)  
Company Secretary  
C.P. No.:3829

Place: Hyderabad  
Date: 30.05.2011

**AUDITORS' REPORT**

To  
The Members of  
USHAKIRAN FINANCE LIMITED,

1. We have audited the attached Balance Sheet of M/s. USHAKIRAN FINANCE LIMITED, as at 31<sup>st</sup> March, 2011, the Profit and Loss Account and also the cash flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors' Report) (amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to paragraph above, we report that:
  - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow statement dealt by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- (v) On the basis of the written representations received from the directors, as on 31.03.2011, and taken on record by the Board of Directors, We report that none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
  - b) In the case of the profit and Loss Account, of the Profit for the year ended on that date; and
  - c) In the case of Cash flow statement, of the Cash flows for the year ended on that date.

for JANARDHANRAO DESHMUKH & CO.,  
Chartered Accountants  
Firm Regn No.005979S

(L. JANARDHAN RAO)  
Proprietor  
Membership No.18474

Place : Hyderabad  
Date : 30.05.2011

## ANNEXURE TO AUDITORS' REPORT

### USHAKIRAN FINANCE LIMITED

(Referred to in Paragraph 3 of our report of even date)

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets other than the assets on lease, have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its assets. No material discrepancies were noticed on such verifications.
- (c) During the year, the company has not disposed off any of the fixed assets. According to the information and explanations given to us, the going concern status of the company is not affected.
- ii. (a) As explained to us, inventories, (Shares and Securities) have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. According to the information and explanations given to us, the Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clauses 4 (iii) b to d of the order are not applicable.
- iv. According to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business for the purchase of inventory, fixed assets and sale of shares and services. We have not observed any continuing failure to correct major weaknesses in internal controls.
- v. (a) According to the information and explanations given to us, we are of the opinion that the contracts or arrangements referred to in sec. 301 of the Companies Act, 1956, have been entered in the registers required to be maintained under that section, and

- (b) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party, if any, during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. The company has not accepted public deposits as defined under section 58A of the Companies Act, 1956 during the year under review. The Company has complied with the requirements of the Prudential norms of Reserve Bank of India.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. In our opinion, the provisions of Section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- ix. (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it, and
- (b) No undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, customs duty, excise duty and cess were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- x. The company has accumulated losses but these losses are not more than 50% of its net worth and it has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- xii. In our opinion and according to the information and explanations given to us, adequate documents and records have been maintained by the Company in respect of loans and advances granted on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. The company has maintained proper records of transactions and contracts in respect of trading in shares, debentures, and other securities and timely entries have been made therein. The investments are held by the Company in its own name except for certain shares which are lodged for transfer or are pending for rectification of bad deliveries.

- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. According to the information and explanations given to us, the company has not raised any term loan during the year under review and hence question of its applications does not arise.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company, we report that the no funds raised on short-term basis have been used for long-term investments.
- xviii. According to the information and explanations given to us, during the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The company has not issued any debentures during the year, which requires the creation of security or charge and hence clause 4(xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- xx. During the year, the Company has not raised money by Public issue and hence the question of disclosure and verification of end use of such monies does not arise.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our Audit.

for JANARDHANRAO DESHMUKH & CO.,  
Chartered Accountants  
Firm Regn No.005979S

(L. JANARDHAN RAO)  
Proprietor  
Membership No.18474

Place : Hyderabad  
Date : 30.05.2011



**USHAKIRAN FINANCE LIMITED**

**BALANCE SHEET AS AT 31.03.2011**

	<b>Schedule No.</b>	<b>As at 31.03.2011 Rs.</b>	<b>As at 31.03.2010 Rs.</b>
<b>SOURCES OF FUNDS:</b>			
Share Holders Funds			
Share Capital	<b>I</b>	<b>27,470,750.00</b>	27,470,750.00
Reserves & Surplus	<b>II</b>	<b>1,072,606.39</b>	936,256.39
Secured Loans	<b>III</b>	<b>863,750.76</b>	880,036.52
		<b><u>29,407,107.15</u></b>	<b><u>29,287,042.91</u></b>
<b>APPLICATION OF FUNDS:</b>			
1. Fixed Assets	<b>IV</b>		
Gross Block		<b>2,385,328.00</b>	2,385,328.00
Less: Depreciation		<b>784,207.00</b>	766,373.00
Net Block		<b>1,601,121.00</b>	1,618,955.00
2. Investments	<b>V</b>	<b>12,053,495.68</b>	11,976,486.24
3. Current Assets, Loans &	<b>VI</b>		
Advances		<b>Rs.</b>	
Stock-in-Trade		<b>1,564,866.00</b>	1,531,859.00
Cash and Bank Balances		<b>5,154,039.03</b>	4,727,195.94
Loans & Advances		<b>7,840,974.30</b>	7,365,295.30
		<b>14,559,879.33</b>	13,624,350.24
Less: Current			
Liabilities & Provisions	<b>VII</b>	<b>9,801,232.00</b>	9,471,927.00
Net Current Assets		<b>4,758,647.33</b>	4,152,423.24
4. Miscellaneous Expenditure :			
(to the extent not written off or adjusted)			
Profit & Loss Account		<b>10,993,843.14</b>	11,539,178.43
		<b><u>29,407,107.15</u></b>	<b><u>29,287,042.91</u></b>
Notes to Accounts	<b>X</b>	-	-

Schedules I to VII and Notes to Accounts in Schedule X form part of this Balance sheet.

Per our report of even date annexed.

for JANARDHANRAO DESHMUKH & CO.,  
Chartered Accountants  
Firm Regn. No.005979S

(T. ADINARAYANA)  
Chairman

(L. JANARDHAN RAO)  
Proprietor

(P.R.K. MURTHY)  
Director

Place : Hyderabad

Date : 30.05.2011

**USHAKIRAN FINANCE LIMITED**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011**

	<b>Schedule No.</b>	<b>Year ended 31.03.2011 Rs.</b>	<b>Year ended 31.03.2010 Rs.</b>
<b>INCOME :</b>			
Interest and other Income	<b>VIII</b>	<b>2,389,452.26</b>	2,152,340.77
Sale of Shares & Securities		<b>2,486.50</b>	194,629.24
Closing Stock of Shares & Securities		<b>1,564,866.00</b>	1,531,859.00
		<b><u>3,956,804.76</u></b>	<u>3,878,829.01</u>
<b>EXPENDITURE:</b>			
Opening Stock of Shares & Securities		<b>1,531,859.00</b>	1,223,617.00
Administrative & Other Expenses	<b>IX</b>	<b>1,073,339.47</b>	1,517,208.92
		<b><u>2,605,198.47</u></b>	<u>2,740,825.92</u>
Profit Before Depreciation & Taxation		<b>1,351,606.29</b>	1,138,003.09
Depreciation		<b>17,834.00</b>	24,748.00
Provision for Sub-Standard Assets and Diminution in Value of Investments		<b>341,340.00</b>	850,000.00
Profit/(Loss) before Taxation		<b>992,432.29</b>	263,255.09
Provision for Taxation:			
a) Current Tax		<b>305,000.00</b>	390,000.00
b) Deferred Tax		-	-
c) Prior period Tax		<b>5,747.00</b>	-
Transfer to Statutory Reserve		<b>136,350.00</b>	-
Profit/(Loss) after Taxation		<b>545,335.29</b>	(126,744.91)
Brought forward Losses		<b><u>(11,539,178.43)</u></b>	<u>(11,412,433.52)</u>
Balance carried to Balance Sheet		<b><u>(10,993,843.14)</u></b>	<u>(11,539,178.43)</u>

Notes to Accounts

**X**

Schedule VIII and IX and Notes to Accounts in Schedule X form part of this Profit & Loss Account.

Per our report of even date annexed.

for JANARDHANRAO DESHMUKH & CO.,

Chartered Accountants

Firm Regn. No.005979S

(T. ADINARAYANA)

Chairman

(L. JANARDHAN RAO)

Proprietor

(P.R.K. MURTHY)

Director

Place : Hyderabad

Date : 30.05.2011

**USHAKIRAN FINANCE LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

	<b>As at 31.03.2011 Rs.</b>	<b>As at 31.03.2010 Rs.</b>
<b>SCHEDULE – I</b>		
<b>SHARE CAPITAL :</b>		
<b>Authorised Capital :</b>		
40,00,000 Equity Shares of Rs.10/- each	<u>40,000,000.00</u>	<u>40,000,000.00</u>
<b>Issued, Subscribed and Paid Up Capital :</b>		
33,54,700 Equity Shares of Rs.10/- each	33,547,000.00	33,547,000.00
<b>Less :</b>		
Calls in Arrears	6,076,250.00	6,076,250.00
	<u>27,470,750.00</u>	<u>27,470,750.00</u>
<b>SCHEDULE – II</b>		
<b>RESERVES &amp; SURPLUS</b>		
General Reserve	752,106.39	752,106.39
<b>Statutory Reserve:</b>	<b>Rs.</b>	
Opening Balance :	1,84,150.00	184,150.00
Additions during the year	<u>1,36,350.00</u>	<u>320,500.00</u>
	<u>1,072,606.39</u>	<u>936,256.39</u>
<b>SCHEDULE – III</b>		
<b>Secured Loans :</b>		
( Secured against the FDR's with the Scheduled Banks)		
From the Scheduled Banks	<u>863,750.76</u>	<u>880,036.52</u>
	<u>863,750.76</u>	<u>880,036.52</u>

**SCHEDULE - IV****FIXED ASSETS**

S.No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As At 31.03.2010 Rs.	Additions Rs.	As At 31.03.2011 Rs.	As at 01.04.2010 Rs.	For the Year Rs.	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.	As At 31.03.2011 Rs.
1	Land	1,536,075.00	-	<b>1,536,075.00</b>	-	-	-	1,536,075.00	<b>1,536,075.00</b>
2	Furniture	241,017.00	-	<b>241,017.00</b>	230,216.00	1,955.00	<b>232,171.00</b>	10,801.00	<b>8,846.00</b>
3	Equipment	412,745.00	-	<b>412,745.00</b>	370,640.00	5,857.00	<b>376,497.00</b>	42,105.00	<b>36,248.00</b>
4	Vehicles	96,456.00	-	<b>96,456.00</b>	82,515.00	3,609.00	<b>86,124.00</b>	13,941.00	<b>10,332.00</b>
5	Computers	99,035.00	-	<b>99,035.00</b>	83,002.00	6,413.00	<b>89,415.00</b>	16,033.00	<b>9,620.00</b>
	<b>TOTAL</b>	2,385,328.00	-	<b>2,385,328.00</b>	766,373.00	17,834.00	<b>784,207.00</b>	1,618,955.00	<b>1,601,121.00</b>

**SCHEDULE – V**

**INVESTMENTS (QUOTED)**

<b>S.No.</b>	<b>INVESTMENTS (LONG TERM)</b>	<b>As at 31.03.2011 Rs.</b>	<b>As at 31.03.2010 Rs.</b>
	<b>Shares (Fully Paid Up) at cost</b>		
1	3I Infotech Limited 400 Equity Shares of Rs.10/- each	<b>52,676.71</b>	52,676.71
2	Bank of Maharashtra 2,000 Equity Shares of Rs.10/- each	<b>46,000.00</b>	46,000.00
3	Bharat Heavy Electricals Limited 50 Equity Shares of Rs.10/- each	<b>81,594.18</b>	81,594.18
4	Central Bank of India 380 Equity Shares of Rs.10/- each	<b>31,710.79</b>	31,710.79
5	Coal India Limited 89 Equity Shares @ Rs.10/- each	<b>21,805.00</b>	-
6	Corporation Bank 200 Equity Shares of Rs.10/- each	<b>16,000.00</b>	16,000.00
7	Fineplast Polymers Limited 10,000 Equity Shares of Rs.10/- each fully paid.	<b>100,000.00</b>	100,000.00
	1,50,000 Equity Shares of Rs.10/- each partly paid.	<b>800,000.00</b>	800,000.00
8	Gas Authority of India Limited 1,350 Equity Shares of Rs.10/- each	<b>227,295.00</b>	227,295.00
9	Gateway Distriparks Limited 1,112 Equity Shares of Rs.10/- each	<b>148,160.52</b>	148,160.52
10	GIC Housing Finance Limited 200 Equity Shares of Rs.10/- each	<b>8,000.00</b>	8,000.00
11	GTL Limited 500 Equity Shares of Rs.10/- each	<b>91,488.79</b>	91,488.79
12	GMR Infrastructure Limited 2,200 Equity Shares of Rs.1/- each	<b>254,030.13</b>	254,030.13
13	Godrej Consumer Products Limited 200 Equity Shares of Rs.1/- each	<b>24,600.00</b>	24,600.00
14	Goldstone Technologies Limited 1,200 Equity Shares of Rs.5/- each	<b>104,848.00</b>	104,848.00
15	Goldstone Infratech Limited 1,200 Equity Shares of Rs.4/- each	<b>104,847.00</b>	104,847.00
16	GTL Infrastructure Limited 1,000 Equity Shares of Rs.10/- each	<b>55,815.00</b>	55,815.00
17	Gujarat State Petronet Limited 1,718 (1,218) Equity Shares of Rs.10/- each	<b>108,232.56</b>	48,266.00

18	HDFC Bank Limited 643 Equity Shares of Rs.10/- each	<b>37,000.00</b>	37,000.00
19	Heidelberg Cement Limited 2,000 Equity Shares of Rs.10/- each	<b>94,160.48</b>	94,160.48
20	Hemadri Cements Limited 3,200 Equity Shares of Rs.10/- each	<b>32,000.00</b>	32,000.00
21	Hindalco Industries Limited 272 Equity Shares of Rs.1/- each	<b>49,164.00</b>	49,164.00
22	Hindustan Unilever Limited 1,660 Equity Shares of Rs.1/- each	<b>13,012.50</b>	13,012.50
23	ICICI Bank Limited 300 Equity Shares of Rs.10/- each	<b>10,500.00</b>	10,500.00
24	IDBI Bank Limited 252 Equity Shares of Rs.10/- each	<b>7,898.00</b>	7,898.00
25	IDFC Limited 389 Equity Shares of Rs.10/- each	<b>13,226.00</b>	13,226.00
26	Indian Oil Corporation Limited 250 Equity Shares of Rs.10/- each	<b>81,160.48</b>	81,160.48
27	Indraprasta Gas Limited 400 Equity Shares of Rs.10/- each	<b>19,200.00</b>	19,200.00
28	Infosys Limited 460 Equity Share of Rs.5/- each	<b>442,022.29</b>	442,022.29
29	ING Vysya Bank Limited 946 Equity Shares of Rs.10/- each	<b>42,570.00</b>	42,570.00
30	Jagson Airlines Limited 1,000 (2,500) Equity Shares of Rs.10/- each	<b>10,000.00</b>	25,000.00
31	Karan Woosen Limited 300 Equity Shares of Rs.10/- each	<b>3,000.00</b>	3,000.00
32	LGS Global Limited 1,000 Equity Shares of Rs.10/- each	<b>40,360.00</b>	40,360.00
33	Leena Textiles Limited 7,000 Equity Shares of Rs.10/- each	<b>70,000.00</b>	70,000.00
34	Mayura Alloy Industries Limited 33,800 Equity Shares of Rs.10/- each	<b>326,529.00</b>	326,529.00
35	Mc Leod Russel India Limited 1,000 Equity Shares of Rs.10/- each	<b>56,249.37</b>	56,249.37
36	Montana International Limited 1,000 Equity Shares of Rs.10/- each	<b>10,000.00</b>	10,000.00
37	MPS Limited 1,000 Equity Shares @ Rs.10/- each	<b>57,305.29</b>	-
38	Maytas Infra Limited (28) Equity Shares of Rs.10/- each	-	10,360.00
39	NCC Blue Water Products Limited 2,400 Equity Shares of Rs.10/- each	<b>24,000.00</b>	24,000.00

40	NCL Industries Limited 7,500 Equity Shares of Rs.10/- each	<b>189,097.51</b>	189,097.51
41	NHPC Limited 3,000 Equity Shares @ Rs.10/- each	<b>92,264.02</b>	-
42	Novatex Fabrics Limited 1,433 Equity Shares of Rs.10/- each	<b>14,333.00</b>	14,333.00
43	Nylofils (India) Limited 44,000 Equity Shares of Rs.10/- each	<b>462,175.00</b>	462,175.00
44	Oil & Natural Gas Corporation Limited 448 (224) Equity Shares of Rs. 5/- (10/-) each	<b>46,320.00</b>	46,320.00
45	Oswal Agro Furane Limited 100 Equity Shares of Rs.10/- each	<b>6,300.00</b>	6,300.00
46	Oswal Agro Mills Limited 100 Equity Shares of Rs.10/- each	<b>5,000.00</b>	5,000.00
47	Pennar Paterson Securities Limited 800 Equity Shares of Rs.10/- each	<b>12,000.00</b>	12,000.00
48	Phytochem India Limited 14,100 (18,100) Equity Shares of Rs.10/- each	<b>141,000.00</b>	181,000.00
49	Polaris Software Lab Limited 150 Equity Shares of Rs.5/- each	<b>10,500.00</b>	10,500.00
50	Powergrid Corporation of India Limited 435 (242) Equity Shares of Rs.10/- each	<b>29,954.00</b>	12,584.00
51	Reliance Industries Limited 920 Equity Shares of Rs.10/- each	<b>24,650.00</b>	24,650.00
52	Reliance Industries Limited (IPCL Limited) 88 Equity Shares of Rs.10/- each	<b>43,465.98</b>	43,465.98
53	Reliance Industries Limited (Reliance Petroleum Limited) 358 Equity Shares of Rs.10/- each	<b>238,408.00</b>	238,408.00
54	SCIL Ventures Limited 500 Equity Shares of Rs.10/- each	<b>27,473.43</b>	27,473.43
55	Sigachi Laboratories Limited 20,010 Equity Shares of Rs.10/- each	<b>200,100.00</b>	200,100.00
56	Sree Rayalseema Hi-Strength Hypo Limited 4,450 Equity Shares of Rs.10/- each	<b>77,690.00</b>	77,690.00
57	SRHHL Industries Limited 6,764 Equity Shares of Rs.10/- each	<b>118,088.00</b>	118,088.00
58	Sri Lakshmi Engineering Inds. Limited 30,000 Equity Shares of Rs.10/- each	<b>300,000.00</b>	300,000.00
59	Steel Authority of India Limited 1,000 Equity Shares of Rs.10/- each	<b>51,875.00</b>	51,875.00
60	Sunku Auto Limited 5,00,000 Equity Shares of Rs.10/- each	<b>5,000,000.00</b>	5,000,000.00
61	Surya Chakra Power Limited (1,000) Equity Shares of Rs.10/- each	-	45,309.56

62	TCFC Finance Limited 500 Equity Shares of Rs.10/- each	<b>12,825.00</b>	12,825.00
63	T.V.Today Networks Limited 700 Equity Shares of Rs.5/- each	<b>66,500.00</b>	66,500.00
64	Unitech Limited (400) Equity Shares of Rs.2/- each	-	105,211.44
65	Vindhya Telelinks Limited 200 Equity shares of Rs.10/- each	<b>32,719.05</b>	32,719.05
66	Sigachi Chloro-Chemicals Private Limited (Un Quoted) 15,000 Equity Shares of Rs.10/- each	<b>150,000.00</b>	150,000.00
<b>TOTAL (A)</b>		<b>11,069,199.08</b>	11,036,369.21
<b>MUTUAL FUNDS (UNITS) AT COST</b>			
1	UTI - Opportunities Fund - Dividend Plan 2,358.300 Units of Rs.10/- each	<b>10,000.00</b>	10,000.00
2	UTI - Midcap Fund - Dividend Plan-Reinvestment 21,935.57 (20,081.622) Units of Rs.10/- each	<b>479,396.60</b>	435,217.03
3	UTI Banking Sector Fund - Dividend Plan 34,827.586 Units of Rs.10/- each	<b>494,900.00</b>	494,900.00
<b>TOTAL (B)</b>		<b>984,296.60</b>	940,117.03
<b>TOTAL INVESTMENTS (A + B)</b>		<b>12,053,495.68</b>	11,976,486.24

S.No.	Particulars	Market Value		Cost	
		As at 31.03.2011 Rs.	As at 31.03.2010 Rs.	As at 31.03.2011 Rs	As at 31.03.2010 Rs.
1	Aggregate Value of Quoted shares	<b>9,439,645.00</b>	8,696,519.00	<b>10,919,199.08</b>	10,886,369.21
2	Aggregate Value of Unquoted shares (at cost)	<b>150,000.00</b>	150,000.00	<b>150,000.00</b>	150,000.00
3	Units of Mutual Funds	<b>1,313,494.00</b>	1,211,619.00	<b>984,296.60</b>	940,117.03
		<b>10,903,139.00</b>	10,058,138.00	<b>12,053,495.68</b>	11,976,486.24



As at  
31.03.2011  
Rs.

As at  
31.03.2010  
Rs.

**SCHEDULE – VI**  
**CURRENT ASSETS, LOANS & ADVANCES**

**Current Assets :**

**a) Stock-in Trade**

( At Cost or Market value  
whichever is lower )

Shares & securities	<u>1,564,866.00</u>	<u>1,531,859.00</u>
	<u>1,564,866.00</u>	<u>1,531,859.00</u>

**b) Cash and Bank Balances :**

Cash on Hand 32,978.30 7,563.30

Balances in Current Accounts in

i. Scheduled Banks 123,353.72 124,850.06

ii. Other than Scheduled Banks - -

Balance in Fixed Deposit Accounts in

i. Scheduled Banks 3,267,001.01 2,996,887.58

ii. Other than Scheduled Banks 1,730,706.00 1,597,895.00

(refer note no.4 in Schedule X)

5,154,039.03 4,727,195.94

**c) Loans and Advances :**

Loans & Advances:

i. Unsecured, Considered good 4,261,113.00 3,996,061.00

ii. Secured, Considered good 1,231,627.00 1,020,000.00

iii. Loans - in respect of which the company  
is fully secured, doubtful 173,850.00 399,950.00

iv. Unsecured, doubtful 1,076,150.00 850,050.00

Other Advances:

Unsecured, Considered good - -

Unsecured, Considered Doubtful 582,500.00 583,500.00

Deposits: 37,600.00 37,600.00

T.D.S./ Income Tax Refund Due 477,506.30 477,506.30

F.B.T Receivable 628.00 628.00

7,840,974.30 7,365,295.30

**Total ( a + b + c )**

**14,559,879.33**

**13,624,350.24**

	As at 31.03.2011 Rs.	As at 31.03.2010 Rs.
<b>SCHEDULE - VII</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS :</b>		
<b>a) Current Liabilities :</b>		
i) Total outstanding dues to micro, small and medium enterprises	-	-
ii) Creditors for Expenses and other liabilities	<u>135,778.00</u>	<u>123,408.00</u>
	<u>135,778.00</u>	<u>123,408.00</u>
<b>b) Provisions :</b>		
i) Provision for Income Tax	55,454.00	79,859.00
ii) Provision for Sub-Standard Assets and Diminution in the value of Investments	9,610,000.00	9,268,660.00
	<u>9,665,454.00</u>	<u>9,348,519.00</u>
<b>Total ( a + b )</b>	<b>9,801,232.00</b>	<b>9,471,927.00</b>

**SCHEDULE - VIII**

**INTEREST AND OTHER INCOME**

	Year ended 31.03.2011 Rs.	Year ended 31.03.2010 Rs.
Interest on Loans and Advances	1,442,866.00	1,343,198.00
Interest on Fixed Deposits	485,824.43	483,496.02
Dividends - on Long Term Investments	234,685.70	229,949.92
- on Stock in Trade	166,076.13	53,642.50
Bad Debts Recovery	60,000.00	-
Profit on Sale of Investments	-	23,836.33
Other Income	-	18,218.00
	<u>2,389,452.26</u>	<u>2,152,340.77</u>

<b>SCHEDULE – IX</b>	<b>Year ended 31.03.2011 Rs.</b>	<b>Year ended 31.03.2010 Rs.</b>
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Advertisement Expenses	<b>23,275.00</b>	21,728.00
Audit Fees	<b>15,830.00</b>	11,230.00
Bad Advances	-	80,000.00
Bank Charges	<b>393.47</b>	1,856.95
Books & Periodicals	<b>6,155.00</b>	5,550.00
Collection Charges	-	21,000.00
Computer Maintenance	<b>250.00</b>	4,050.00
Consultancy Charges	<b>13,788.00</b>	13,788.00
Conveyance Expenses	<b>3,743.00</b>	4,245.00
Dematerialisation Charges	<b>13,236.00</b>	13,236.00
Electricity Charges	<b>22,593.00</b>	19,405.00
Filing Fee	<b>1,670.00</b>	4,620.00
Interest to Banks	<b>91,385.60</b>	126,515.04
Internet & Broadband Charges	<b>9,264.00</b>	9,287.00
Legal Fees	<b>9,100.00</b>	-
Listing Fees	<b>11,030.00</b>	11,030.00
Loss on Sale of Investments	<b>56,459.77</b>	356,270.11
Miscellaneous Expenses	<b>19,665.03</b>	18,231.82
Office Maintenance Charges	<b>41,158.00</b>	35,748.00
Postage & Telegrams	<b>10,899.00</b>	11,742.00
Printing & Stationery	<b>18,451.60</b>	16,687.00
Rent	<b>64,200.00</b>	64,200.00
Repairs & Maintenance	-	30,000.00
Salaries	<b>541,645.00</b>	539,214.00
Share Transfer Fee	<b>50,290.00</b>	49,519.00
Sitting Fee and Incidental Expenses	<b>6,000.00</b>	-
Staff Welfare	<b>9,284.00</b>	5,948.00
Telephone Charges	<b>11,384.00</b>	11,591.00
Travelling Expenses	<b>22,190.00</b>	30,517.00
	<b><u>1,073,339.47</u></b>	<b><u>1,517,208.92</u></b>

**SCHEDULE - X**  
**NOTES TO ACCOUNTS:**

**1. SIGNIFICANT ACCOUNTING POLICIES:**

**A. ACCOUNTING POLICIES:**

The financial statements are prepared on the basis of historical cost convention and the accounts are prepared in accordance with the generally accepted accounting policies and provisions of the Companies Act, 1956 as adopted consistently by the Company, unless otherwise stated.

**B. USE OF ESTIMATES:**

Estimates and assumptions used in the preparation of the financial statements are based on management's, evolution of the relevant facts and circumstances as of the date of the Financial statements which may differ from the actual results at a subsequent date.

**C. PRUDENTIAL NORMS:**

The company compiles its Financial Statements in accordance with the prudential norms prescribed by the Reserve Bank of India in respect of:

- a) Income recognition.
- b) Provisioning for standard, substandard, doubtful and loss Assets.
- c) Accounting for Investments.

**D. REVENUE RECOGNITION:**

Income from interest is accounted on due basis, subject to income recognition and prudential norms of Reserve Bank of India as mentioned above, interest income on Non-performing, doubtful/loss assets etc., are recognized as and when the amount is received and appropriated towards interest. Dividend Income is accounted when the right to receive the dividend is established.

**E. EXPENSES:**

All the expenses are accounted on accrual basis.

**F. FIXED ASSETS:**

Fixed Assets are stated at cost of acquisition.

**G. DEPRECIATION:**

Depreciation has been provided on written down value method as per Schedule XIV of the Companies Act, 1956.

**H. INVESTMENTS:**

Investments (Long Term) are stated at cost of acquisition.

The diminution in the value of quoted investments have been provided, if such decline is other than temporary in the opinion of management.

**I. INVENTORIES:**

Shares and Securities held as Stock-in-Trade are valued scrip wise at cost or market value whichever is lower.

**J. CONTINGENT LIABILITIES:**

Unpaid liability for partly paid shares amounts to Rs.7.00 Lakhs (Rs.7.00 Lakhs)

**K.** All employees benefits due wholly within a year of rendering services are classified as short term benefits. These benefits like salaries, wages short term compensation absences, expected cost of bonus, ex-gratia are recognized as expenses on accrual basis of undiscounted amounts in the Profit and loss Account. Retirement benefits to the Employees will be provided as and when the relevant acts are applicable to the Company.

2. Confirmation of balances of certain parties for amounts due to them/due from them as per the accounts of the Company have not been received. However, the balances stated in the books of account are final as it is indicated that the company's balances will be treated as final and correct if confirmation is not received by particular date.

3. As per the records and information available with the company, there are no dues to Micro, Small and Medium Enterprises. Hence, information as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is not furnished.

4. Balances in Current Accounts:	<b>As at 31.03.2011 Rs.</b>	<b>As at 31.03.2010 Rs.</b>
In Scheduled Banks	<b>1,23,353.72</b>	1,24,850.06
In Other than Scheduled Banks:	--	--
	<hr/> <b>1,23,353.72</b> <hr/>	<hr/> 1,24,850.06 <hr/>
Balances in Fixed Deposit Accounts:	<b>As at 31.03.2011 Rs.</b>	<b>As at 31.03.2010 Rs.</b>
In Scheduled Banks	<b>32,67,001.01</b>	29,96,887.58
In Other than Scheduled Banks:	<b>17,30,706.00</b>	15,97,895.00
	<hr/> <b>49,97,707.01</b> <hr/>	<hr/> 45,94,782.58 <hr/>

The amounts referred above, are the maximum outstanding balances during the year due from Adarsh Co-operative Urban Bank Limited. None of the Directors are having any interest in the above co-operative urban bank.

5. None of the Directors or their relatives, firms/private companies in which any director is a partner/director/manager or companies under the same management have taken any loan/advance from the company.

	<b>As at 31.03.2011 Rs.</b>	As at 31.03.2010 Rs.
6. Managerial Remuneration	<b>Nil</b>	Nil
7. Auditors Remuneration.		
Audit Fee	<b>13,030.00</b>	11,030.00
Out of Pocket Expenses	<b>2,800.00</b>	200.00
	-----	-----
	<b>15,830.00</b>	11,230.00
	-----	-----

8. In the opinion of Board of Directors of the Company the Current Assets, Loans & Advances are approximately of the value stated in the accounts, if realised in the ordinary course of business, unless otherwise stated. The provisions for all known liabilities, unless otherwise stated are adequate and not in excess of the amount reasonably necessary.
9. The company has adopted accounting standard 22 - Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, however, Deferred Tax Asset has not been accounted after set off, in view of accumulated losses. Current tax is determined as the amount of tax payable as per the provisions of the Income Tax Act, 1961.
10. Earnings per share: The following reflects the Income and Share data used in the computation of Basic and diluted Earnings per share:

	<b>As at 31.03.2011 Rs.</b>	As at 31.03.2010 Rs.
a) Amounts used as the numerator		
Net Profit/(Loss) (Rs.)	<b>5,45,335</b>	(1,26,745)
b) Weighted average number of equity shares after adjusting for the allotment amount due (Nos.)	<b>27,47,075</b>	27,47,075
c) Basic and Diluted Earnings per Share (Rs.)	<b>0.20</b>	(0.05)

11. The company is mainly engaged in the business of Investments and providing finance and all other activities of the company revolve around the main business and as such, there are no separate reportable segments.

12. Related Party Transactions:  
Related party disclosures as required under Accounting Standard 18 are given below:

The following transactions were carried out during the year with related parties in the ordinary course of business:

	<b>As at 31.03.2011 Rs.</b>	As at 31.03.2010 Rs.
Sitting Fee and incidental expenses paid to Sri.PRK Murthy, Director	<b>6,000/-</b>	--

13. Additional information required under paragraphs 3 & 4 of part II of Schedule VI of the Companies Act, 1956 to the extent applicable.

(a) Quantitative details of (Stocks) Shares & Securities:

	<b>2010-2011</b>		2009-2010	
	<b>Quantity No.</b>	<b>Value Rs.</b>	Quantity No.	Value Rs.
Opening Stock	<b>2,01,457</b>	<b>15,31,859</b>	2,42,776	12,23,617
Purchases	--	--	--	--
Sales	<b>200</b>	<b>2,487</b>	43,328	1,94,629
Closing Stock	<b>2,02,383</b>	<b>15,64,866</b>	2,01,457	15,31,859

14. Foreign Exchange Transactions:

	<b>As at 31.03.2011</b>	As at 31.03.2010
Value of imports calculated on		
a) C.I.F. basis during the year	<b>NIL</b>	NIL
b) Expenditure in Foreign Currency	<b>NIL</b>	NIL
c) Amount remitted during the year	<b>NIL</b>	NIL
d) Earnings in Foreign Exchange	<b>NIL</b>	NIL

15. Previous year figures have been regrouped/reclassified/rearranged, wherever necessary.

-----  
Signatures to Schedule I to X form part of the Balance Sheet as at 31.03.2011 and Profit & Loss Account for the year ended 31.03.2011.

Per our report of even date annexed.  
for JANARDHANRAO DESHMUKH & CO.,  
Chartered Accountants  
Firm Regn. No.005979S

(T. ADINARAYANA)  
Chairman

(L. JANARDHAN RAO)  
Proprietor

(P. R. K. MURTHY)  
Director

Place : Hyderabad  
Date : 30.05.2011

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****i. REGISTRATION DETAILS**

Registration No. 

6	2	9	4
---	---	---	---

 State Code 

0	1
---	---

Balance Sheet Date 

3	1
---	---

0	3
---	---

2	0	1	1
---	---	---	---

Date                      Month                      Year

**ii. CAPITAL RAISED DURING THE YEAR (Rs. In Thousands)**

Public Issue 

N	I	L
---	---	---

 Rights Issue 

N	I	L
---	---	---

Bonus Issue 

N	I	L
---	---	---

 Private Placement 

N	I	L
---	---	---

**iii. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs.in Thousands)**

Total Liabilities 

2	9	4	0	7
---	---	---	---	---

 Total Assets 

2	9	4	0	7
---	---	---	---	---

**SOURCES OF FUNDS**

Paid-up Capital 

2	7	4	7	1
---	---	---	---	---

 Reserves & Surplus 

1	0	7	2
---	---	---	---

Secured Loans 

8	6	4
---	---	---

**APPLICATION OF FUNDS**

Net Fixed Assets 

1	6	0	1
---	---	---	---

 Investments 

1	2	0	5	3
---	---	---	---	---

Net Current Assets 

4	7	5	9
---	---	---	---

 Accumulated Losses 

1	0	9	9	4
---	---	---	---	---

**iv. PERFORMANCE OF COMPANY (Rs.in Thousands)**

Turnover & Other Income 

2	4	2	5
---	---	---	---

 Total Expenditure 

1	4	3	3
---	---	---	---

Profit Before Tax 

9	9	2
---	---	---

 Profit/(Loss) after Tax 

5	4	5
---	---	---

Earning Per Share in Rs. 

.	2	0
---	---	---

 Dividend Rate 

N	I	L
---	---	---

**v. GENERIC NAMES OF PRINCIPAL PRODUCTS OF THE COMPANY**

Production Description	Item Code (ITC code)
Loans & Advances	N.A.
Leasing, Finance and Investments	N.A.

Per our report of even date annexed.  
for JANARDHANRAO DESHMUKH & CO.,  
Chartered Accountants  
Firm Regn. No.005979S

(T. ADINARAYANA)  
Chairman

(L. JANARDHAN RAO)  
Proprietor

(P. R. K. MURTHY)  
Director

Place : Hyderabad

Date : 30.05.2011



**USHAKIRAN FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

	<b>2010-2011</b>	2009-2010
	<b>Rs.(in lacs)</b>	Rs. (in lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITY</b>		
a. Net Profit/(Loss) before Tax & Extraordinary items	<b>5.45</b>	<b>(1.27)</b>
Adjustments for:		
Depreciation	<b>0.18</b>	0.25
Interest paid	<b>0.91</b>	1.27
Taxes paid	<b>3.11</b>	3.90
	-----	-----
b. Operating Profit/(Loss) before Working Capital changes	<b>9.65</b>	4.15
Adjustments for :		
Trade and other Receivables	<b>(4.75)</b>	(9.05)
Inventories	<b>(0.33)</b>	(3.08)
Trade Payables	<b>3.29</b>	9.18
	-----	-----
c. Cash generated from operations	<b>7.86</b>	1.20
Interest paid	<b>(0.91)</b>	(1.27)
Taxes Paid	<b>(3.11)</b>	(3.90)
	-----	-----
d. Cash Flow before Extraordinary items	<b>3.84</b>	(3.97)
Adjustments for:		
Extraordinary Items: Statutory Reserves	<b>1.36</b>	--
	-----	-----
Net Cash Flow from Operating Activities (A)	<b>5.20</b>	(3.97)
	-----	-----
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	--	--
Sale/purchase of Investments	<b>(0.77)</b>	2.24
	-----	-----
Net Cash Flow from Investing Activities (B)	<b>(0.77)</b>	2.24
	-----	-----
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of Share Capital	--	--
Dividend paid	--	--
Proceeds from Borrowings	--	0.37
Loans Paid	<b>(0.16)</b>	--
	-----	-----
Net Cash Flow from Financing Activities (C)	<b>(0.16)</b>	0.37
	-----	-----

**D. NET INCREASE/(DECREASE) IN CASH**

And Cash Equivalent (A+B+C)	<b>4.27</b>	(1.36)
Cash and Cash Equivalent At the Beginning of the year	<b>47.27</b>	48.63
Cash and Cash Equivalent At the End of the year	<b>51.54</b>	47.27

Per our report of even date annexed.  
for JANARDHANRAO DESHMUKH & CO.,  
Chartered Accountants  
Firm Regn. No.005979S

(T. ADINARAYANA)  
Chairman

(L. JANARDHAN RAO)  
Proprietor

(P. R. K. MURTHY)  
Director

Place : Hyderabad  
Date : 30.05.2011

---

**AUDITORS' CERTIFICATE**

We have verified the above Cash Flow Statement of Ushakiran Finance Limited derived from the audited annual financial statements for the year ended 31<sup>st</sup> March, 2011 and 31<sup>st</sup> March, 2010 and found the same is drawn in accordance with the requirements of Clause 32 of the Listing Agreements with the Stock Exchanges.

for JANARDHANRAO DESHMUKH & CO.,  
CHARTERED ACCOUNTANTS  
Firm Regn. No.005979S

Place : Hyderabad  
Date : 30.05.2011

(L. JANARDHAN RAO)  
Proprietor

Schedule to the  
**BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY**  
(Disclosure of details as required by Revised Para 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

<b>PARTICULARS</b>	<b>(Rs. in Lakhs)</b>			
<b>Liabilities Side</b>	<b>2010-2011</b>		<b>2009-2010</b>	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
1. Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	--	--	--	--
Unsecured (other than falling within the meaning of public deposits)	--	--	--	--
(b) Deferred Credits	--	--	--	--
(c) Term Loans	--	--	--	--
(d) Inter-corporate loans and borrowing	--	--	--	--
(e) Commercial Paper	--	--	--	--
(f) Public Deposits	--	--	--	--
(g) Other Loans (Loans against FDs from Banks)	<b>8.64</b>	<b>Nil</b>	8.80	Nil
2. Break – up of (I) (f) above (outstanding Public Deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	--	--	--	--
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.	--	--	--	--
(c) Other Public deposits	--	--	--	--

Assets Side	Amount Outstanding 2010-2011	Amount Outstanding 2009-2010
3. Break-up of Loans and Advances Including Bills receivables (other than those included in (4) Below)		
(a) Secured	<b>14.05</b>	14.20
(b) Unsecured	<b>59.20</b>	54.30
4. Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities.		
i) Lease assets including lease rentals under sundry debtors:	<b>NIL</b>	NIL
(a) Financial Lease	--	--
(b) Operating Lease	--	--
ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	--	--
(b) Repossessed Assets	--	--
iii) Hypothecation loans counting towards EL/HP activities		
(a) Loans where assets have been repossessed	--	--
(b) Loans other than (a) above	--	--
5. Break up of investments :		
Current investments: (Stock-in-Trade)		
1. Quoted		
i) Shares		
(a) Equity	<b>15.65</b>	15.32
(b) Preference	--	--
ii) Debentures and Bonds	--	--
iii) Units of mutual funds	--	--
iv) Government securities	--	--
v) Others (please specify)	--	--
2. Unquoted		
(i) Shares		
(a) Equity	--	--
(b) Preference	--	--
(ii) Debentures and Bonds	--	--
(iii) Units of mutual funds	--	--
(iv) Government securities	--	--
(v) Others (please specify)	--	--

Long Term Investments :		
1. Quoted		
(i) Shares	(a) Equity (b) Preference	<b>109.19</b> -- --
ii) Debentures and Bonds		--
iii) Units of mutual funds		<b>9.84</b>
iv) Government securities		--
v) Others (please specify)		--
2. Unquoted		
(i) Shares	(a) Equity (b) Preference	<b>1.50</b> -- --
ii) Debentures and Bonds		--
iii) Units of mutual funds		--
iv) Government securities		--
v) Others (please specify)		--
6. Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances		<b>NIL</b>
		<b>NIL</b>
	<b>Category</b>	<b>Amount (net of provisions)</b>
		<b>Amount (net of provisions)</b>
1. Related Parties		
(a) Subsidiaries		<b>N.A.</b>
(b) Companies in the same group		<b>N.A.</b>
(c) Other related Parties		<b>N.A.</b>
2. Other than related parties		<b>62.20</b>
Total		<b>62.20</b>
7. Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted, excluding Stock-in-Trade)		
Category		
1. Related Parties		
(a) Subsidiaries		<b>N.A.</b>
(b) Companies in the same group		<b>N.A.</b>
(c) Other related Parties		<b>2.00</b>
2. Other than related parties		<b>33.48</b>
Total		<b>35.48</b>
		<b>Market Value/Break up or fair value or NAV Book value (net of Provisions)</b>
		<b>Market Value/Break up or fair value or NAV Book value (net of Provisions)</b>
		<b>N.A.</b>
		<b>N.A.</b>
		<b>2.00</b>
		<b>32.33</b>
		<b>34.33</b>

8. Other Information		
Particulars		
i) Gross Non-performing Assets a) Related Parties b) Other than related Parties	<b>NIL</b> <b>12.50</b>	NIL 12.50
ii) Net Non-performing Assets a) Related Parties b) Other than related parties iii) Assets acquired in satisfaction of debt	<b>NIL</b> <b>1.45</b> <b>NIL</b>	NIL 5.25 NIL

Per our report of even date annexed.  
for JANARDHANRAO DESHMUKH & CO.,  
Chartered Accountants  
Firm Regn. No.005979S

(T. ADINARAYANA)  
Chairman

(L. JANARDHAN RAO)  
Proprietor

(P.R.K. MURTHY)  
Director

Place : Hyderabad  
Date : 30.05.2011

**USHAKIRAN FINANCE LIMITED**

**Regd. Office: 405, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001**

**PROXY FORM**

DP. Id*	
Client Id*	

Folio No.	
No. of Share(s) held	

I/We -----  
 ----- being a member/members of Ushakiran Finance Limited  
 hereby appoint ----- of -----  
 ----- or failing him -----  
 ----- of -----

as my/our proxy to vote for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting to be held on Monday the 26<sup>th</sup> September, 2011 at 10.00 A.M. or at any adjournment thereof.

Signed this ----- day of -----2011.

Signature

Affix Re.1/- Revenue Stamp
-------------------------------------

\* Applicable for investors holding shares in electronic/dematerialised form.

Note: The Proxy Form duly completed should be deposited at the Registered office of the company not less than 48 hours before the time fixed for holding the meeting.

-----T E A R H E R E -----

**USHAKIRAN FINANCE LIMITED**

**Regd. Office:405, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad - 500001**

**ATTENDANCE SLIP**

Please fill attendance slip and hand it over at the entrance of the meeting hall.

DP.Id*	
Client Id*	

Folio No.	
No.of Share(s) held	

NAME AND ADDRESS OF THE SHAREHOLDER	
NAME OF PROXY	

I hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the company held on Monday the 26th September, 2011 at 10.00 A.M. at H.No:8-3-976/23A, Shalivahana Nagar Colony, Shalivahana Nagar Community Hall, Yellareddyguda, (Adjacent to Srinagar Colony), Hyderabad - 500 073.

Signature of the Shareholder or Proxy

---

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Chirag Ali Lane, Hyderabad – 500 001.